

May 21, 2026

Aseem Infrastructure Finance Limited: Ratings reaffirmed; withdrawn for matured instruments

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term/Short-term – Fund based/Non-fund based	14,000.00	14,000.00	[ICRA]AA+ (Stable)/[ICRA]A1+; reaffirmed
Subordinated bonds	250.00	250.00	[ICRA]AA+ (Stable); reaffirmed
Non-convertible debenture	2,150.00	2,150.00	[ICRA]AA+ (Stable); reaffirmed
Non-convertible debenture	100.00	0.00	[ICRA]AA+ (Stable); reaffirmed and withdrawn
Market linked debenture	125.00	0.00	PP-MLD[ICRA]AA+ (Stable); reaffirmed and withdrawn
Total	16,625.00	16,400.00	

*Instrument details are provided in Annexure-II

Rationale

The ratings reflect the strength of Aseem Infrastructure Finance Limited's (AIFL) parentage, particularly National Investment and Infrastructure Fund II (NIIF II; Strategic Opportunities Fund or SOF), which continued to hold a 59% stake as on March 31, 2026, and the Government of India (GoI), which held a 31% stake through a direct investment. The remaining 10% is held by Sumitomo Mitsui Banking Corporation (SMBC). NIIF's strong financial flexibility and quasi-sovereign ownership supports AIFL's credit profile. The ratings also factor in AIFL's operational linkages with NIIF, the availability of sufficient capital for near-term growth, access to debt funds at competitive rates owing to its parentage, strong asset quality indicators and adequate liquidity.

ICRA notes that AIFL has a track record of operations of ~6 years (commenced lending operations in August 2020) in relation to the relatively higher average tenure of its loan book. In this regard, ICRA notes that the company has scaled up the assets under management (AUM) to Rs. 17,004 crore as on December 31, 2025, with 80% of exposures towards operational projects and, nil delinquencies since inception. While risk arises especially on the under-construction projects portfolio due to project execution risks, AIFL has mitigated the risk to an extent by being selective by lending to projects with relatively better credit profile and lending to near-to-completion projects, many of which have successfully achieved their completion and commercial operation dates (COD).

The Stable outlook reflects ICRA's expectation that AIFL will benefit from its parentage and continue to grow its portfolio, while maintaining its asset quality indicators and prudent capitalisation levels.

ICRA has withdrawn the long-term rating for the Rs. 100-crore non-convertible debentures (NCDs) and Rs. 125 crore market-linked debenture, in accordance with its policy on the withdrawal of credit ratings, as the instruments have matured and have been fully repaid.

Key rating drivers and their description

Credit strengths

Strong parentage and strategic importance to Gol – AIFL’s ratings reflect its strong parentage, particularly NIIF II (SOF), which continued to hold a 59% stake as on March 31, 2026, the Gol (31% through direct investment), and SMBC (10%). NIIF is an investor-owned fund manager, anchored by the Gol in collaboration with leading global and domestic institutional investors. It is a collaborative investment platform for international and Indian investors seeking investment opportunities in infrastructure and other high-growth sectors of the country. NIIF’s strong financial flexibility and quasi-sovereign ownership support AIFL’s credit profile.

Operational synergies with NIIF – NIIF is a fund manager anchored by the Gol, which invests in infrastructure and high-growth sectors in India. It has invested in the infrastructure debt financing platform through SOF, which focusses on investing in sectors with significant growth potential. AIFL leverages its synergies with NIIF and NIIF IFL (part of the NIIF platform), which operate in similar sectors within the infrastructure ecosystem. Further, the company’s board reflects NIIF’s supervision on its operations and strategy with two nominee directors. AIFL also has a senior management team with considerable experience in the infrastructure financing space.

Adequate capitalisation for near-term growth – AIFL has adequate capitalisation profile for growing the book as per business plans over the next two years while keeping the managed gearing¹ of ~5 times. It reported a net worth of Rs. 3,510 crore as on December 31, 2025 and managed gearing of 4.3 times (4.2 times in March 2025), supported by regular capital raise totalling ~Rs. 2,551 crore since inception and positive internal accruals since FY2021. The company enjoys good financial flexibility, with the ability to raise funds at competitive rates of interest from a diverse set of lenders, owing to its strong parentage and linkages with the Gol. As on December 31, 2025, AIFL had total borrowings of Rs. 15,094 crore, comprising a mix of bank loans (67%), NCDs (18%), commercial paper (CP; 9%), and external commercial borrowings (ECB; 6%). The company’s ability to continue to build and diversify its funding profile over the medium-to-long term would remain a key monitorable.

Credit challenges

Track record of operations of ~6 years relatively lower in relation to higher average asset tenure; moderate profitability metrics – AIFL commenced lending operations in August 2020 and has scaled up the AUM to Rs. 17,004 crore as on December 31, 2025 (Rs. 15,431 crore as on March 31, 2025), although the overall market share in the infrastructure financing sector remains moderate. ICRA notes that the company has a track record of operations of ~6 years in relation to the relatively higher average tenure of its loan book. As on December 31, 2025, 80% of the projects funded by AIFL were operational. Hence, the portfolio could remain vulnerable to asset quality shocks in case of slippages in a few exposures, which could adversely affect the profitability. AIFL has managed these risks well so far through lending to projects with relatively better credit profile and lending in near-to-completion and operational projects.

AIFL’s return on managed assets (RoMA) and return on net worth (RoNW) improved to 1.9% and 9.9%, respectively, in 9MFY2026 (1.7% and 8.3%, respectively, in FY2025). This was supported by the increase in the lending spreads, driven by decline in cost of funds; operating costs and credit costs continued to be rangebound.

Liquidity position: Adequate

As on December 31, 2025, AIFL had available liquidity in the form of a cash and liquid investments of Rs. 761 crore and unutilised bank lines of Rs. 2,415 crore, along with the expected cash inflow of Rs. 4,611 from advances over the next one year, providing adequate liquidity cover over the debt repayments of Rs. 5,026 crore during the above mentioned period. The company has raised long-term funds in line with the long-term maturity profile of the assets it funds, which augurs well for its liquidity profile. Its ALM profile, as on December 31, 2025, reflected positive cumulative mismatches across all buckets up to one year.

¹ Managed gearing = (Total on-balance sheet borrowings + Off-book portfolio)/Net worth

Rating sensitivities

Positive factors – Achieving a significant scale of operations across diversified sectors, while maintaining strong asset quality and improving profitability, would be a credit positive.

Negative factors – A significant change in the likelihood of support from the sponsors or key shareholders could warrant a rating downgrade. Pressure on AIFL’s ratings could emerge on substantial worsening of its capitalisation profile and/or weakening of the asset quality, resulting in a deterioration in its solvency on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Non-Banking Finance Companies (NBFCs) Policy on Withdrawal of Credit Ratings
Parent/group Support	The ratings derive strength from AIFL’s parentage, with 59% of the shares held by NIIF, 31% held by the Gol and 10% held by SMBC as on March 31, 2026. NIIF is an investor-owned fund manager anchored by the Gol in collaboration with global and domestic institutional investors.
Consolidation/standalone	Standalone

About the company

AIFL, a subsidiary of NIIF II (SOF) managed by NIIF (a Gol-anchored fund), is registered as a non-banking financial company - Infrastructure finance company (NBFC-IFC). It received its IFC licence from the Reserve Bank of India (RBI) in January 2020 and commenced business in August 2020. It funds infrastructure projects across various phases of the project lifecycle. As on December 31, 2025, the company had a diversified sectoral portfolio of Rs. 17,004 crore compared to Rs. 15,431 crore as on March 31, 2025.

AIFL reported a profit after tax (PAT) of Rs. 253 crore in 9MFY2026 on a total income of Rs. 1,234 crore as on December 31, 2025 compared to a PAT of Rs. 262 crore in FY2025 on a total income of Rs. 1,466 crore as on March 31, 2025. The company’s net worth stood at Rs. 3,510 crore with a managed gearing of 4.3 times as on December 31, 2025 compared to Rs. 3,267 crore and 4.2 times, respectively, as on March 31, 2025. Gross non-performing advances (NPAs) remained nil as on December 31, 2025 (nil as on March 31, 2025).

National Investment and Infrastructure Fund

NIIF is sponsored by the Gol to catalyse funding in the country’s infrastructure sector. It has three funds, each of which is registered with the Securities and Exchange Board of India (SEBI) as Category II Alternative Investment Funds (AIFs). NIIF’s investment objective is to generate attractive long-term risk-adjusted returns for its investors on a sustainable basis. The Gol’s aggregate contribution to NIIF is Rs. 20,000 crore and it is proposed that a similar amount will be raised from third-party investors such that the Gol’s contribution will be 49%. It has also received a commitment from certain domestic and international institutions, including the Abu Dhabi Investment Authority (ADIA) and Temasek. Moreover, the Governing Council of NIIF is chaired by the Finance Minister of India and includes the Secretary – Department of Economic Affairs and the Secretary – Department of Financial Services among representatives from its other investors. More details about NIIF are available at <https://niifindia.in/>

Key financial indicators (audited)

Aseem Infrastructure Finance Limited	FY2024 Audited	FY2025 Audited	9MFY2026 Provisional
Total income	1,196	1,466	1,234
Profit after tax	205	262	253
Total managed assets*	14,709	16,782	18,781
Return on managed assets	1.5%	1.7%	1.9%
Managed gearing² (times)	4.0	4.2	4.3
Gross stage 3	0.0%	0.0%	0.0%
CRAR	20.6%	17.7%	18.7%

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore;

* Managed assets = Total net assets + ECL provisions

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

² Managed gearing = (Total on-balance sheet borrowings + Off-book portfolio)/Net worth.

Rating history for past three years

Instrument	Current rating (FY2027)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs crore)	May 21, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Fund-based/Non-fund based	Long Tem/Short Term	14,000.00	[ICRA]AA+ (Stable)/[ICRA]A1+	May 30, 2025	[ICRA]AA+ (Stable)/[ICRA]A1+	May 29, 2024	[ICRA]AA+ (Stable)/[ICRA]A1+	-	-
				-	-	Jun 28, 2024	[ICRA]AA+ (Stable)/[ICRA]A1+	-	-
Market Linked Debenture	Long Term	0	PP-MLD[ICRA]AA+ (Stable); withdrawn	May 30, 2025	PP-MLD[ICRA]AA+ (Stable)	May 29, 2024	PP-MLD[ICRA]AA+ (Stable)	May 30, 2023	PP-MLD[ICRA]AA+ (Stable)
				-	-	Jun 28, 2024	PP-MLD[ICRA]AA+ (Stable)	-	-
NCD	Long Term	2,150.00	[ICRA]AA+ (Stable)	May 30, 2025	[ICRA]AA+ (Stable)	-	-	-	-
Subordinated Bonds/Debt	Long Term	250	[ICRA]AA+ (Stable)	May 30, 2025	[ICRA]AA+ (Stable)	-	-	-	-
Fund-based-Term loan	Long Tem/Short Term			-	-	May 29, 2024	[ICRA]AA+ (Stable)/[ICRA]A1+	May 30, 2023	[ICRA]AA+ (Stable)/[ICRA]A1+
Bonds/NCD/LTD	Long Term			May 30, 2025	[ICRA]AA+ (Stable)	May 29, 2024	[ICRA]AA+ (Stable)	May 30, 2023	[ICRA]AA+ (Stable)
				-	-	Jun 28, 2024	[ICRA]AA+ (Stable)	May 30, 2023	[ICRA]AA+ (Stable)

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026

ICRA-rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$))	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various (FSR) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being

followed.

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term/Short-term – fund based/Non-fund based bank lines	Simple
Non-convertible debenture	Simple
Market linked debenture	Complex
Subordinated debt programme	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

Annexure II: Instrument details

ISIN	Instrument name	Date of issuance /Sanction	Coupon rate	Maturity date	Amount rated (Rs. crore)	Current rating and outlook
INE0AD507150	Non-convertible debenture	Jul-31-2025	7.73%	Aug-31-2026	250	[ICRA]AA+ (Stable)
INE0AD507168	Non-convertible debenture	Jul-31-2025	7.70%	Dec-24-2026	250	[ICRA]AA+ (Stable)
INE0AD507093	Non-convertible debenture	Sep-05-2022	8.25%	Sep-03-2027	650	[ICRA]AA+ (Stable)
INE0AD507192	Non-convertible debenture	Oct-10-2025	7.68%	Oct-08-2027	250	[ICRA]AA+ (Stable)
INE0AD507135	Non-convertible debenture	Jul-31-2025	7.73%	Dec-28-2028	2.5	[ICRA]AA+ (Stable)
INE0AD507176	Non-convertible debenture	Aug-18-2025	7.64%	Jan-18-2029	95	[ICRA]AA+ (Stable)
INE0AD507176	Non-convertible debenture	Nov-27-2025	7.64%	Jan-18-2029	100	[ICRA]AA+ (Stable)
INE0AD507143	Non-convertible debenture	Jul-31-2025	7.70%	Mar-27-2029	2.5	[ICRA]AA+ (Stable)
INE0AD507184	Non-convertible debenture	Aug-18-2025	7.73%	Aug-16-2030	120	[ICRA]AA+ (Stable)
NA*	Non-convertible debenture	NA	NA	NA	430.0	[ICRA]AA+ (Stable)
INE0AD508018	Subordinated debt programme	Jul-17-2025	8.13%	Jul-16-2032	100.0	[ICRA]AA+ (Stable)
INE0AD508026	Subordinated debt programme	Nov-06-2025	8.05%	Oct-29-2032	150.0	[ICRA]AA+ (Stable)
INE0AD507036	Non-convertible debenture	May-10-2021	7.70%	May-08-2026	100.0	[ICRA]AA+ (Stable); reaffirmed and withdrawn
INE0AD507101	Market linked debenture	Jan-23-2023	8.00%	Jul-23-2025	125.0	PP-MLD[ICRA]AA+ (Stable); reaffirmed and withdrawn
NA	Long-term/Short-term fund-based/Non-fund based bank lines	FY2021	NA	FY2030	14,000.0	[ICRA]AA+ (Stable)/ [ICRA]A1+

Source: Company; *Yet to be placed; ^ As on May 21, 2026

[Please Click here to view details of lender-wise facilities rated by ICRA](#)

Annexure III: List of entities considered for consolidated analysis

Not Applicable

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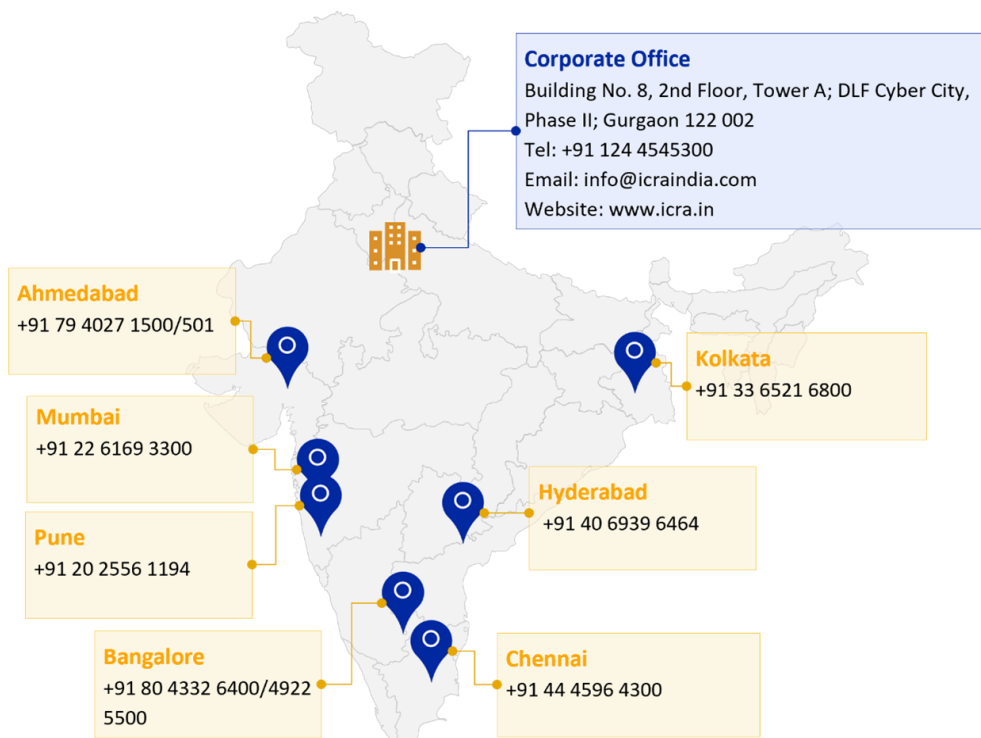


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